

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA

Division Director

November 30, 2011

Barclay Cuthbert US Oil Sands (Utah), Inc. Suite 950, 633 – 6th Avenue Southwest Calgary, Alberta T2P 2Y5 Canada

Subject: Approval of Amendment of Notice to Commence Small Mining Operations, US Oil

Sands (Utah), Inc., Leonard Murphy No. 1 Mine, S/019/0059, Grand and Uintah

Counties, Utah

Dear Mr. Cuthbert:

The Division of Oil, Gas and Mining finds your amended Notice of Intention to Commence Small Mining Operations (NOI) complete. You are now permitted to conduct mining activities as outlined in the amended NOI, provided you have approval from all other appropriate agencies. The approval or acceptance of a complete NOI does not relieve an operator from his responsibility to comply with the applicable statutes, rules, regulations, and ordinances of all local, state and federal agencies with jurisdiction over any aspect of the operator's mining operations. Enclosed please find a copy of the approved amendment to your NOI.

Please keep in mind the following regulatory requirements.

 Stockpiling topsoil material prior to beginning activities will help ensure successful revegetation. Even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory surety release.

If you encounter any archaeological or historical items, you are asked to notify this office,

and State History of your find.

Annual reports and permit fees are due by January 31st.



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The Division's web page at http://ogm.utah.gov under the Minerals Program has a link to the rules under which you are expected to operate and to other information to assist you in complying with program requirements. Thank you for your cooperation. In reply, please refer to file number S/019/0059. If you have questions or concerns regarding this letter, please contact me at 801-538-5261 or Leslie Heppler at 801-538-5257. Best wishes with your mining venture!

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB:lah:eb

Enclosure: Copy of approved NOI, Modification to MRRC

cc: SITLA - Wstokes@utah.gov